GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:4509
ANSWERED ON:17.12.2009
RAIDS ON LPG DISTRIBUTORS
Harnsrajbhai Shri Radadiya Vitthalbhai

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government has conducted surprise raids on LPG distributors in various areas of Gujarat including Porbander, Rajkot and Junagarh;

(b) if so, the details of the last three years, area-wise;

(c) whether owing to the connivance between the concerned LPG companies and the corrupt LPG distributors, tip off of the raids is given prior to conducting raids and the raid is only in name ;

(d) if so, the provisions made by the Government in this regard ; and

(e) the steps taken by the Government to enforce these provisions ?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI JITIN PRASADA)

(a) to (c): During the Year 2006-07, 2007-08, and 2008-09, 3881 surprise raids were conducted on LPG distributors by Public Sector Oil Marketing Companies (OMCs) including 607 on LPG distributors of Porbander, Rajkot and Junagarh area. The year-wise and area-wise details are available with Directors (Marketing) of OMCs concerned.

Action against the erring distributors was taken as per provisions of Marketing Discipline Guidelines (MDG)/Distributorship Agreement.

Surprise inspections are carried out without intimation and no such instances where the distributors were given tip off have come to notice.

(d) & (e): Government have formulated "Marketing Discipline Guidelines, 2001" which provides for penal action against LPG distributors indulging in various irregularities.

MDG provides for following action against the distributor:-

Fine of Rs. 20,000 plus the price of LPG diverted at commercial rates for 1st offence.

Fine of Rs. 50,000 plus the price of LPG diverted at commercial rates for 2nd offence.

Termination of the distributorship for 3rd offence.

In addition to the action taken by the OMCs, State Governments are empowered under the LPG (Regulation of Supply & Distribution) Order, 2000 promulgated under the Essential Commodities Act, 1955 to take action against erring distributors.